

**MISSISSIPPI STATE BOARD OF REGISTRATION
FOR PROFESSIONAL ENGINEERS & LAND SURVEYORS**

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June 25, 2004

Compliance Review Findings

Mr. Phil Bryant, State Auditor
P. O. Box 956
Jackson, MS 39205-0956

Dear Mr. Bryant:

This is our response to your June 11, 2004 letter regarding the review of our agency's FY2003 records.

Audit Findings:

Recommendation 1: Obtain written agreements for contractual services.

Response and corrective action plan (d): the three instances cited relate to two individuals who have served as our exam proctors for many years. It was routine for us to hire them using the enclosed form letters,* stating time, dates, duties, and amount of payment. Once the exam was over and the proctors were paid, the letters were not retained. Because a recommendation for written contracts with these proctors was not cited in previous audits, we assumed the letters were sufficient. This situation will not occur in the future because we have outsourced the proctoring of our exams to ELSESES, with whom we have a formal contract.

Recommendation 2: Prepare and approve purchase orders prior to the ordering of goods and services.

Response : Please note that many of the instances cited relate to the exam process; it is not possible to accurately predict the number of examinees that will actually attend and finish the exams. Again, because the exam process has been outsourced, this situation will not re-occur.

Corrective action plan: a) We will strive to prepare and have purchase orders approved prior to the ordering of goods and services; b) Rosemary Brister and Debbie Bass; c) it has already occurred.

Recommendation 3: Deposit funds to the clearing account promptly and make transfers to the state treasury timely.

Response: With just 4 employees, only two of whom are authorized to make deposits, it is extremely difficult to make deposits as often as required, particularly during the Christmas holiday season when our 8,500 licensees renew their licenses. With reference to State Treasury transfers and the enclosed 6/9/98 DFA memorandum, our agency was given a verbal waiver to make weekly transfers when the balance was below \$1,000. Our efforts to obtain written confirmation of this waiver (see enclosed letters to Dr. Ranck) *were unsuccessful.

Corrective action plan: a) We will strive to make prompt deposits and timely transfers to the State Treasury; b) Rosemary Brister and Debbie Bass; c) we are currently making every effort to comply with regard to deposits. Recognizing the limitations of our small staff, Ms. Vicki Alvey of your office has said that at the conclusion of this audit process, she will advise us on submitting a new request for a waiver with recommendations on time spans and amounts for State Treasury transfers.

Recommendation 4: Ensure employee leave is used in accordance with state law.

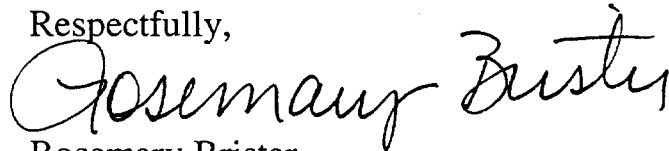
Response: In both instances cited, the employees were working a few hours a day here and there on an irregular schedule in an effort to keep up with their work while dealing with acute health situations. Both had to see several doctors and have various tests run before they had surgery. The required documentation was obtained once the health crisis was over.

Correction action plan: a) In the future we will strive to see that the required documentation is obtained in a more timely manner; b) Rosemary Brister; c) it has already occurred.

Recommendation 5: Ensure payments to vendors are made timely.

Response and corrective action plan (d): Section 73-13-17 of our law requires all our disbursements to be signed by both the Executive Director and the Board Secretary. The "turnaround" time for mailing documents to the Board Secretary can take a couple of weeks or more. For one instance cited (exam site rental), our memory was that the delay was caused by misplaced paperwork during the payment process and we had to obtain second copies. For the second instance cited, our exam supplier does not release the invoices to the individual states until the invoices for all 50 states are ready, resulting in a delay from the receipt of the "service" to the invoice date to its receipt. Both of these instances relate to our exam process which has been outsourced, so they will not occur again.

Respectfully,

A handwritten signature in black ink, reading "Rosemary Brister". The signature is fluid and cursive, with the first name "Rosemary" being larger and more prominent than the last name "Brister".

Rosemary Brister
Executive Director

*Enclosed letters available upon request to office of the State Auditor.